



TENNESSEE DEPARTMENT OF

EDUCATION
FIRST TO THE TOP

Personal Finance

Primary Career Cluster:	Business Management & Administration
Consultant:	Joy Smith, (615)532-6248, Joy.Smith@tn.gov
Course Code(s):	5901, 3767, 3496
Prerequisite(s):	None
Credit:	½
Grade Level:	9 - 12
Graduation Requirements:	Personal Finance is required for graduation. Successful completion of three years of JROTC substitutes for ½ credit of Personal Finance.
Programs of Study and Sequence:	This is the second course in the <i>Banking and Finance</i> program of study.
Necessary Equipment:	None
Aligned Student Organization(s):	DECA: http://www.decatn.org FBLA: http://www.fblatn.org Sarah Williams, (615) 532-2829, Sarah.G.Williams@tn.gov
Coordinating Work-Based Learning	If a teacher has completed work-based learning training, he or she can offer appropriate placement. For more information, please visit http://www.tn.gov/education/cte/wb/ .
Available Industry Certifications	None
Dual Credit or Dual Enrollment	There are currently dual credit opportunities available for this course at specific community colleges. Reach out to your local postsecondary institution(s) for more information.
Teacher Endorsements	030, 031, 032, 033, 034, 035, 036, 037, 038, 039, 041, 050, 051, 052, 054, 055, 056, 057, 201, 202, 203, 204, 311, 430, 431, 432, 433, 434, 435, 436, 450, 471, 472, 474, 475, 476 OR any CTE Professional license with state approved training
Required Teacher Certifications/Training:	Teachers licensed to teach Economics, Business, Marketing, and Family and Consumer Sciences meet the employment standards and may be exempted from further training. Teachers holding other endorsements must complete a minimum of fourteen clock hours training provided by the department or a state-approved facility.
Teacher Resources:	http://www.tn.gov/education/cte/BusinessManagementAdministration.shtml

Course Description

Personal Finance is a foundational course designed to inform students how individual choices directly influence occupational goals, future earning potential, and long term financial well-being. The standards in this course cover decision-making skills related to goal setting, earning potential, budgeting, saving, borrowing, managing risk, and investing. The course helps students meet the growing complexities of personal financial management and consumer decision making. Standards in this course are aligned with Tennessee Common Core State Standards for English Language Arts & Literacy in Technical Subjects, Tennessee Common Core State Standards for Mathematics, as well as Tennessee Economics standards.*

Program of Study Application

This course is a foundational course in the *Banking and Finance* program of study. For more information on the benefits and requirements of implementing this program in full, please see the program of study description documents found on the Finance career cluster website at <http://www.tn.gov/education/cte/Finance.shtml>.

Personal Finance is a required course for graduation for all Tennessee high school students.

Course Standards

Financial Responsibility and Personal Decision Making

- 1) Define the concept of personal finance and explain the importance of personal financial planning using information sources such as instructional materials, news articles, blogs from reputable sources, personal narratives, and industry publications. (TN CCSS Reading 1, 4)
- 2) Write long-term (over 5 years), mid-term (1 - 5 years), and short-term (a year or less) personal financial goals, defining desired education, career, and earning milestones and saving and spending plans. Evaluate factors that may influence the goals, including family responsibilities, individual values, and economic conditions. (TN CCSS Reading 4; TN CCSS Writing 4; TN Economics)

Education, Careers, and Income

- 3) Develop a chart, table, or graphic to compare characteristics of various careers, such as alignment to personal interest and aptitude, education requirements, available positions, salaries, potential lifetime earnings, and employer benefits. Research and report (orally or in an explanatory text) the requirements for admission to and related costs of attending a specific postsecondary institution and how that will support education, career, and earning goals. (TN CCSS Reading 2, 3, 7; TN CCSS Writing 2, 6)
- 4) Demonstrate an understanding of Free Application for Federal Student Aid (FAFSA) requirements to apply for postsecondary education financial aid by completing an application. Identify strategies for reducing the overall cost of postsecondary education, including the impact of scholarships, grants, work study, and other assistance. (TN CCSS Reading 7; TN CCSS Writing 4, 7)

- 5) Research multiple viewpoints that support or question the use of student loan debt in paying for postsecondary education. Assess the extent to which the reasoning and evidence presented support the author's claim. Citing specific textual evidence, craft an argumentative essay that either supports or opposes the use of student loan debt, developing both claim(s) and counterclaim(s) fairly. (TN CCSS Reading 6, 7, 9; TN CCSS Writing 1, 4, 8, 9)
- 6) Describe factors affecting take-home pay such as tax withholdings, benefits (e.g., insurance, 401k), and plan payroll deductions. Complete a 1040EZ or 1040A and a W-4 Employee's Withholding Allowance paperwork, and analyze the W-2 Wage and Tax Statement for federal income tax purposes. (TN CCSS Reading 3)

Planning and Money Management

- 7) Create a personal balance sheet. Determine assets and liabilities and calculate net worth. Using research from local sources (such as newspapers, chambers of commerce, local government, and company websites), create a monthly personal budget. Cite specific textual evidence from findings when calculating earnings of a selected occupation and including accurately estimated household living expenses, taxes, potential savings, and an emergency fund. (TN CCSS Reading 1, 7; TN CCSS Writing 4, 7)
- 8) Understand the availability of consumer protection laws, agencies, and resources. Investigate the availability and reliability of resources to assist consumers in making buying decisions (include national, state, and local resources, as appropriate). (TN CCSS Reading 8)
- 9) Compare and contrast services and products available from financial service providers such as commercial banks, savings and loans, and credit unions. Identify the services that best support the personal financial goals. Craft an argumentative essay supported by evidence about selecting a specific financial account or service to best meet current and/or future financial goals. (TN CCSS Reading 9; TN CCSS Writing 1, 4, 9)

Credit and Debt

- 10) Compare and contrast the various sources and types of consumer credit, such as student loans, auto loans, store credit cards, and payday loans. Draw conclusions about the types of credit best suited for financing and/or purchasing various goods and services, defending claims with specific textual evidence. (TN CCSS Reading 1, 5, 9; TN CCSS Writing 4, TN Economics)
- 11) Citing information from at least one of the three major credit reporting agencies, describe credit reports and credit scores. Describe the relationship between consumers and credit reports/credit scores, discussing their importance and citing specific textual evidence from research. Analyze a sample credit report and interpret how the contents may affect the credit score. Explain how the credit score may impact borrowing opportunities and the cost of credit. Summarize specific activities used to maintain a good credit score. (TN CCSS Reading 1, 2, 5; TN CCSS Writing 4, 7, 9)

- 12) Citing evidence found in credit applications, compare and contrast various types of credit and calculate the real cost of borrowing. Explain factors that can affect the approval process associated with each type. Identify typical information and procedures required in the credit application process. Analyze factors associated with the purchase of an automobile and defend a specific buying decision, including:
- a. Define and understand factors most often included in negotiations (such as cash vs. financing, inclusion of trade-in, etc.)
 - b. Evaluate costs and benefits of different service contract and/or warranty options
 - c. Compare and contrast available financing options based on consumer characteristics and size of down payment
- (TN CCSS Reading 2, 3, 4, 9; TN CCSS Writing 9; TN CCSS Math N-Q)
- 13) Identify strategies for good use of credit and effective debt management to recognize the warning signs of impending debt problems. Illustrate the long-term consequences of accumulating debt and of filing for bankruptcy. Formulate a plan to eliminate debt and determine the impact on a personal budget, citing specific textual evidence to defend elements of the plan. (TN CCSS Writing 4, 8, 9)

Risk Management

- 14) Differentiate the benefits and costs associated with various types of insurance, such as health, life, property, and auto. Describe the risks associated with a lack of appropriate coverage in specific situations. Determine the role of insurance in personal financial planning to preserve and build wealth. (TN CCSS Reading 4, 5)
- 15) Conduct assessments of various types of identity theft situations and scams, then determine strategies and present a plan to safeguard and protect against identity theft. Design and present a plan to significantly lower and protect against risks. Determine steps that should be taken by a victim of identity theft to report the incident and re-establish identity. (TN CCSS Writing 4, 9)

Saving and Investing

- 16) Explain how saving and investing contribute to financial well-being, building wealth, and helping meet personal financial goals. Compare and contrast saving and investment strategies, such as savings accounts, certificates of deposit, stocks, bonds, mutual funds, employer sponsored savings plans, physical assets, and commodities.. Design a diversified saving and investment plan that includes strategies compatible with personal goals. Include time value of money and compound interest calculations in analysis. (TN CCSS Reading 4, 5; TN CCSS Writing 4, TN CCSS Mathematics F-IF)

Standards Alignment Notes

*References to other standards include:

- TN CCSS Reading: [Tennessee Common Core State Standards for English Language Arts & Literacy in History/Social Studies, Science, and Technical Subjects](#); Reading Standards for Literacy in Science and Technical Subjects 6-12; Grades 9-10 Students (page 62).
 - Note: While not directly aligned to one specific standard, students who are engaging in activities outlined above should be able to also demonstrate fluency in Standards 6, 8, and 10 at the conclusion of the course.
- TN CCSS Writing: [Tennessee Common Core State Standards for English Language Arts & Literacy in History/Social Studies, Science, and Technical Subjects](#); Writing Standards for Literacy in History/Social Studies, Science, and Technical Subjects 6-12; Grades 9-10 Students (pages 64-66).
 - Note: While not directly aligned to one specific standard, students who are engaging in activities outlined above should be able to also demonstrate fluency in Standards 3, 5 and 10 at the conclusion of the course.
- TN Economics: Tennessee Department of Education Curriculum Standards, Secondary 9-12 Social Studies, [Economics 9-12](#).
 - Note: The standards in this course are not meant to teach economics concepts. However, the concepts referenced above may provide teachers with opportunities to collaborate with economics educators to design project based activities or collaborate on lesson planning.
- TN CCSS Math: [Tennessee Common Core State Standards for Mathematics](#); Math Standards for High School: Number, Quantity, Functions.
 - Note: The standards in this course are not meant to teach mathematical concepts. However, the concepts referenced above may provide teachers with opportunities to collaborate on lesson planning. Students who are engaging in activities listed above should be able to demonstrate quantitative and functional reasoning as applied to specific technical concepts. In addition, students will have the opportunity to practice the habits of mind as described in the eight Standards for Mathematical Practice.
- P21: Partnership for 21st Century Skills [Framework for 21st Century Learning](#)
 - Note: While not all standards are specifically aligned, teachers will find the framework helpful for setting expectations for student behavior in their classroom and practicing specific career readiness skills.